91st CONGRESS 1st Session

H. R. 11563

IN THE HOUSE OF REPRESENTATIVES

May 21, 1969

Mr. Brown of Michigan introduced the following bill; which was referred to the Committee on Banking and Currency

A BILL

To amend the Export Control Act of 1949.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 Section 1. The Export Control Act of 1949 (50
- 4 U.S.C. App. 2021–2032) is amended as follows:
- 5 (1) Section 1 (b) is amended to read as follows:
- 6 "(b) The unrestricted export of certain materials, in-
- 7 formation, and technology may adversely affect the national
- 8 security of the United States."
- 9 (2) Section 2 (1) is amended by adding the following
- 10 new sentence at the end thereof: "The authority contained
- 11 in this Act may not be used in any instance in implementa-

- 1 tion of the policy contained in clause (B) of the foregoing
- 2 sentence until after the President has communicated to the
- 3 Congress his intention to do so in that instance."
- 4 (3) The third sentence of section 3 (a) is amended
- 5 by changing "shall determine that such export makes a
- 6 significant contribution to the military or economic potential
- 7 of such nation or nations which" to read "determines, taking
- 8 into consideration availability from other nations with which
- 9 the United States has defense treaty commitments, that
- 10 such export".
- 11 (4) Section 4 (a) of the Act is amended by adding
- 12 the following new sentence at the end thereof: "Consistent
- 13 with considerations of national security, the President shall
- 14 seek information and advice from private industry in connec-
- 15 tion with the making of these determinations."
- 16 (5) Section 6 is amended by adding the following new
- 17 subsection at the end thereof:
- "(d) In the administration and enforcement of this Act.
- 19 reporting requirements shall be so designed as to reduce the
- 20 cost of preparation of reports and recordkeeping required
- 21 under this Act to the extent feasible, consistent with effective
- 22 enforcement and the compilation of useful trade statistics.
- 23 Reporting and recordkeeping requirements shall be period-
- 24 ically reviewed and revised in the light of developments in

- 1 (6) Section 12 is amended by changing "June 30,
- 2 1969," to read "June 30, 1973,".
- 3 SEC. 2. During each fiscal year ending after the date of
- 4 enactment hereof and prior to July 1, 1973, the first quar-
- 5 terly report submitted by any department or agency or offi-
- 6 cial under section 8 of the Export Control Act of 1949 shall
- 7 contain a report of the implementation by that department,
- 8 agency, or official of section 6 (d) of that Act.

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91st CONGRESS 1st Session H. R. 11563

A BILL

To amend the Export Control Act of 1949.

By Mr. Brown of Michigan

 ${\bf May} \ \ 21,1969$ Referred to the Committee on Banking and Currency

91ST CONGRESS H. R. 11472

IN THE HOUSE OF REPRESENTATIVES

May 20, 1969

Mr. Ashley (for himself and Mr. Rees) introduced the following bill; which was referred to the Committee on Banking and Currency

A BILL

To amend the Export Control Act of 1949.

1	Be it enacted by the Senate and House of Representa-
2	tives of the United States of America in Congress assembled
3	SECTION 1. The Export Control Act of 1949 (50 U.S.C.
4	App. 2021-2032) is amended as follows:
5	(1) Section 1 is amended to read as follows:
6	"FINDINGS
7	"Section 1. The Congress finds that—
8	"(1) the availability of certain materials at home
9	and abroad varies so that the quantity and makeup of
1 0	United States exports and their distribution among im-
11	porting countries may affect the welfare of the domestic

1	economy and may have an important bearing upon ful
2	fillment of the foreign policy of the United States;
3	"(2) the unrestricted export of materials without
4	regard to whether they have significant military applica-
5	bility may adversely affect the national security of the
6	United States; and
7	"(3) expanded trade in peaceful goods and tech-
8	nology with all countries with which we have diplomatic
9	or trading relations can further the sound growth and
10	stability of the United States economy as well as further
11	its national security and foreign policy objectives."
12	(2) Section 2 is amended to read as follows:
13	"DECLARATION OF POLICY
14	"Sec. 2. (a) The Congress hereby declares that it is
1 5	the policy of the United States to use export controls to
16	the extent necessary (1) to protect the domestic enonomy
17	from the excessive drain of scarce materials; (2) to further
18	the foreign policy of the United States and to aid in fulfilling
19	its international responsibilities; and (3) to exercise the
20	necessary vigilance over exports from the standpoint of their
21	significance to the national security of the United States.
22	"(b) The Congress further declares that it is the policy
23	of the United States to formulate, reformulate, and apply
24	such controls to the maximum extent possible in cooperation
25	with all nations with which the United States has defense

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- 1 treaty commitments, and to formulate a unified commercial
- 2 and trading policy to be observed by all such nations in their
- 3 dealings with the Communist nations of the world.
- 4 "(c) The Congress further declares that it is the policy
- 5 of the United States to encourage trade in peaceful goods
- 6 and technology with all countries with which we have diplo-
- 7 matic or trading relations, except those countries with which
- 8 such trade has been determined by the President to be
- 9 against the national interest.
- "(d) The Congress further declares that it is the policy
- 11 of the United States (1) to oppose restrictive trade practices
- 12 or boycotts fostered or imposed by foreign countries against
- other countries friendly to the United States and (2) to en-
- 14 courage and request domestic concerns engaged in the export
- 15 of articles, materials, supplies, or information, to refuse to
- 16 take any action, including the furnishing of information or the
- 17 signing of agreements, which has the effect of furthering or
- 18 supporting the restrictive trade practices or boycotts fos-
- 19 tered or imposed by any foreign country against another
- 20 country friendly to the United States."
- 21 (3) Section 3 is amended to read as follows:
- 22 "AUTHORITY
- 23 "Sec. 3. (a) To effectuate the policies set forth in
- 24 section 2, the President may prescribe rules and regulation

- 1 to prohibit or curtail the exportation to all countries from the United States, its territories, and possessions, of any $\mathbf{2}$ 3 articles, materials, or supplies, including technical data, or any other information. To the extent necessary to further 5 the purposes of this Act, such rules and regulations may apply to the financing, transporting, and other servicing of 6 exports and the participation therein by any person. Such rules and regulations shall provide that express permission 8 9 and authority must be sought and obtained to export articles, 10 materials, or supplies, including technical data, or any other 11 information, from the United States, its territories and pos-12 sessions, to any Communist nation if the President deter-13 mines that such exported item is capable of a significant 14 military application which would prove detrimental to the 15 national security and welfare of the United States. Such rules 16 and regulations shall implement the provisions of section 17 2 (d) of this Act and shall require that all domestic con-18 cerns receiving requests for the furnishing of information or 19 the signing of agreements as specified in such section must 20report this fact to the Secretary of Commerce for such action 21 as he may deem appropriate to carry out the purposes of 22such section. "(b) The rules and regulations authorized by this sec-23
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tion shall provide that the export of a particular item shall

- 1 not be denied unless there is substantial evidence that the
- 2 particular exportation is likely to be used for military pur-
- 3 poses.
- 4 "(c) The President may delegate the power, authority,
- 5 and discretion conferred upon him by this Act, to such de-
- 6 partments, agencies, or officials of the Government as he may
- 7 deem appropriate.
- 8 "(d) The authority conferred by this section shall not
- 9 be exercised with respect to any agricultural commodity, in-
- 10 cluding fats and oils, during any period for which the supply
- 11 of such commodity is determined by the Secretary of Agri-
- 12 culture to be in excess of the requirements of the domestic
- 13 economy, except to the extent required to effectuate the
- 14 policies set forth in section 2 (a) (2) or (2) (a) (3) of this
- 15 Act."
- 16 (4) Section 4 is amended to read as follows:
- 17 "CONSULTATION AND STANDARDS
- 18 "Sec. 4. (a) In determining what shall be controlled
- 19 hereunder, and in determining the extent to which exports
- 20 shall be limited, any department, agency, or official making
- 21 these determinations shall seek information and advice from
- 22 the several executive departments and independent agencies
- 23 concerned with aspects of our domestic and foreign policies
- 24 and operations having an important bearing on exports.

1	"(b) In authorizing exports, full utilization of private
2	competitive trade channels shall be encouraged insofar as
3	practicable, giving consideration to the interests of small
4	business, merchant exporters as well as producers, and estab-
5	lished and new exporters, and provisions shall be made for
6	representative trade consultation to that end. In addition,
7	there may be applied such other standards or criteria as may
8	be deemed necessary by the head of such department, or
9	agency, or official to carry out the policies of this Act.
10	"(e) In order to enable United States exporters to
11	coordinate their business activities with United States Gov-
12	ernment export control policies, the agencies, departments,
13	and officials responsible for implementing the rules and regu-
14	lations authorized under section 3 of this Act shall, insofar
15	as it is consistent with United States national security—
16	"(1) inform each exporter of any considerations
17	which may cause his export license request to be denied
18	or to be the subject of lengthy examination;
19	"(2) inform each exporter of any circumstances
20	arising during the Government's consideration of his
21	export license application which are cause for denial
22	or for further examination; and
23	"(3) inform the exporter of the reasons for a
24	denial of an export license request."

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- 1 (5) Section 5 (b) is amended by changing "Commu-
- 2 nist-dominated" to read "Communist".
- 3 (6) Section 12 is amended by changing "1969" to
- 4 read "1973".

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91st CONGRESS 1st Session H. R. 11472

A BILL

To amend the Export Control Act of 1949.

By Mr. Ashley and Mr. Rees

 $$\operatorname{Max}$\ 20,1969$ Referred to the Committee on Banking and Currency